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Subject: FW: Insider for July 20, 2017

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- Today's Insider (PDF)



YOU DON'T SAY...

"Everybody's been overly protective and cautious to make sure that somebody in the bureaucracy doesn't get a whippin' with a wet noodle."

U.S. Rep. Robert Pittenger (R-NC), on the delays in federal hurricane relief funds.

THE NEWS & OBSERVER, 7/19/17

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News Summary

Hurricane Cleanup

North Carolina residents and communities still reeling from the devastation of Hurricane Matthew could soon have access to hundreds of millions more federal dollars -- even as state officials demand much more money and brace for the next storm.

This year's hurricane season started June 1 and there have already been four named storms in the Atlantic. Nine months after Hurricane Matthew hammered eastern and central North Carolina, killing 28 people in the state, emergency personnel are fearing the next one, while still cleaning up the last one.

"My job is to ensure that we're prepared for whatever threat or hazard is coming up next. It would be horrible if we had another huge hurricane come," said Mike Sprayberry, the state's director of emergency management. "We've got to be able to hurry up and work with our disaster survivors from Matthew, get them in a good place."

The state has received more than \$630 million in federal money since the monster storm last October, which caused massive flooding and \$4.8 billion in damages. Another \$500 million in federal dollars should be available by the end of the summer, according to state and federal officials -- including nearly \$200 million in block grants from the Department of Housing and Urban Development, just arriving from a pot of money Congress approved in December.

Members of the state's congressional delegation are confident that the 2018 budget will bring even more relief.

Plus, state lawmakers approved \$100 million in disaster relief during this year's legislative session, on top of \$200 million provided in December. Gov. Roy Cooper on Tuesday signed a measure directing how to spend the latest state money. "For families recovering from a natural disaster, help can never come too quickly and we're working hard to make sure communities get the help they need," Cooper said in a statement. "The \$1.3 billion in state and federal relief funds dedicated so far are a start but much more work remains. I will continue to work with the legislature, congressional leaders, and federal officials to bring the resources necessary to help families and communities rebuild."

Cooper requested \$929 million in aid from the federal government's latest funding bill in April. Congress approved \$8.2 billion for emergency and disaster relief as part of the \$1 trillion spending deal, but HUD awarded North Carolina only \$6.1 million -- less than 1 percent of Cooper's request -- setting off a minor partisan squabble in what has been a largely bipartisan effort to deliver dollars for North Carolina. Cooper, a Democrat, called it "an incredible failure by the Trump administration and congressional leaders to turn their backs."

"Shame on the governor," said Republican US Rep. Robert Pittenger, whose district includes Robeson County and the majority of Cumberland and Bladen counties. "(Cooper) threw us under the bus like we weren't doing our job."

A state must show unmet need in order to obtain funds from HUD under requirements implemented in 2011, and North Carolina only recently had its state action plan approved by the federal agency. HUD is reconsidering North Carolina's request and could add more funding from the April law. Meantime, the approval of the action plan clears the way for HUD to provide the new block grants, 80 percent of which are earmarked for hard-hit Robeson, Cumberland, Edgecombe and Wayne counties.

The rest of the new funding expected this summer comes from the Federal Emergency Management Agency and includes \$200 million more in public assistance for repairing roads and bridges, and \$100 million for moving homes out of the way of future flooding -- money that has already been designated for specific homes.

In the wake of Hurricane Matthew, that would mean getting thousands of homes out of the way of future flooding by using a combination of federal and state money to buy out property owners, tear down their former homes and return the land to green space; elevate the homes above anticipated flood levels; or, where no other option is available, tear down badly damaged homes and rebuild them higher.

"It's a slow process. Everybody's to blame. The bureaucracy is to blame. It just takes too frickin' long. It's called CYA." Pittenger said.

After HUD's \$6.1 million award, some North Carolina lawmakers questioned the formula used by the department and whether HUD had proper data on the Matthew disaster. They requested further review. The agency is now "reviewing additional data" and expects to publish "any changes in the grant amount" soon, a HUD spokesman said in response to a request for more clarity on the status of Matthew relief.

"It's a disappointment. I'm not trying to gloss over it," U.S. Rep. David Price, a Chapel Hill Democrat, said of the \$6.1 million allotment.

Even with more than \$1 billion in federal dollars coming to the state, lawmakers aren't done trying to secure additional help for victims. Price, a member of the House Appropriations Committee, introduced an amendment calling for \$5 billion for disaster relief for states with unmet needs in the 2018 budget bill. Price's amendment, part of a larger \$200 billion infrastructure amendment, failed on a party-line vote in committee.(Brian Murphy and Martha Quillin, THE NEWS & OBSERVER, 7/19/17).

Mattamuskeet Lodge

Resources: [Report on Lake Mattamuskeet](#)

A century-old hunting lodge on Lake Mattamuskeet will get some much-needed repairs in this year's state budget, but it's still unclear when the facility might reopen to the public.

Located in a remote area of coastal Hyde County, the Mattamuskeet Lodge first opened as a pumping station in 1914 in an attempt to drain the lake and replace it with farmland and a town called New Holland. The federal government ended that experiment when it bought the property in the 1930s, and the building was converted to a hunting lodge, with an observation tower that resembles a lighthouse. Ownership was eventually transferred to the state, and the facility was popular for weddings and events until it was closed in 2010 when engineers found structural damage so severe that the second-floor ballroom could collapse under the weight of an event.

A two-sentence provision tucked into this year's budget directs the Wildlife Resources Commission, which oversees the facility, to "repair the roof and stabilize the tower ... no later than June 30, 2018." The budget doesn't allocate any money for the project but tells the commission to use "funds available to it."

Gordon Myers, executive director of the Wildlife Resources Commission, said this week that he doesn't yet have an estimate on how much the repairs will cost, and the agency is working with a design firm to figure out how much work is needed.

"It will certainly shift our priorities in terms of our capital dollars," Myers said of the budget provision. "I'm not sure what will be deferred. ... We feel pretty confident that we can meet the schedule given to us."

Myers said the building is currently "an empty shell" following other repairs designed to keep it structurally sound. The roof still has major problems, but the observation tower is "pretty stable," although more work could be done.

The repairs, Myers says, will "leave the facility in very good condition to allow enough time to sort out the details of what is the best long-term management strategy."

Legislators didn't address that issue this session, adjourning without discussing a January report by the Wildlife Resources Commission that recommends a public-private partnership to fully renovate the building. The report says the facility should include 14 hotel rooms, a large ballroom and meeting spaces, a restaurant, gift shop, free tours and museum-style exhibits for tourists. The state has spent about \$5.7 million on building repairs since 2007, and the report estimates that an additional \$8.3 million is needed to complete the renovation and reopen the lodge. A previous study had looked at the option of the state running the facility but determined that "the annual cost to operate the lodge would exceed income, in part because "a sophisticated and targeted marketing effort and business operation would be essential."

In the public-private partnership model, the Wildlife Resources Commission expects the operator could generate extra revenue by serving as a tourism hub for the region, partnering with outdoor adventure outfitters and other local businesses to lead marketing efforts.

Any renovations beyond the repairs called for in this year's budget remain on hold until state and local leaders decide on the lodge's long-term future. "We can certainly move forward with planning, but we would want to do that in concert with the legislature, the (governor's) administration and Hyde County," Myers said.

Hyde County leaders are hopeful a renovated and reopened Mattamuskeet Lodge can drive tourism to the county's sparsely populated mainland. Much of Hyde's tourism currently centers on Ocracoke Island, but leaders hope to better market the nature attractions of the lake, the Mattamuskeet Wildlife Refuge and the Swan Quarter National Wildlife Refuge.

"Hyde County mainland has such numerous and unique natural assets, and the lodge represents a potential hub to utilize those assets through outdoor play and recreation," assistant county manager Kris Noble said in an email. "Hyde County mainland is super rural with gas stations and directional signs being few and far between and can often be challenging to visiting tourists.

Mattamuskeet Lodge is the perfect backdrop to showcase world-renowned migratory bird populations, some of the largest black bears in the state in unbelievable numbers, freshwater and saltwater fishing, crabbing."

Noble said the lodge served as that tourism and event hub when it was open, and locals and visitors have fond memories of the facility. She says the "economic stimulus is needed in our area and all of northeast North Carolina, and the investment to make that happen is long overdue." But some are skeptical of the public-private partnership approach. The Carolina Journal, a publication of the conservative John Locke Foundation, wrote in January that "the idea is fraught with problems, not the least of which is a method for disposing of waste generated by visitors and guests at the lodge."

"Turning the lodge over to a private operator is problematic, as the 'legal and financial structures required to achieve such a partnership are still being developed,'" the Journal wrote, citing the January report.

The legislative committees that oversee the Wildlife Resources Commission could review the options and take action during next year's session.(Colin Campbell, THE INSIDER, 7/20/17).

Education Board Appeal

The State Board of Education decided Wednesday to appeal a court's Friday decision in its case against State Superintendent Mark Johnson and the state over control of the Department of Public Instruction (DPI) and the state's public schools. A three-judge panel ruled in favor of Johnson and the state at the end of last week, stating that the State Board did not adequately show the unconstitutionality of a law that gives Johnson powers historically held by the Board.

Bill Cobey, chairman of the Board, called the panel's decision "inexplicable" in a phone call with EducationNC Wednesday. He said the ruling did not give a firm answer as to who's in charge.

"They're trying to have it both ways," Cobey said. "They're trying to split the baby. We need more clarity on this. That's why we're going to the appellate court, to get more clarity -- hopefully directly to the Supreme Court. This is a constitutional matter that needs to be settled sooner rather than later."

House Bill 17, which the legislature passed during a special session at the end of last year, would make Johnson the head of DPI and the supervisor of the department's budget and the state's public schools. Previously, the superintendent had only the powers delegated to him by the Board. Johnson would also be able to hire and fire top DPI personnel and have control over the Office of Charter Schools. In a statement Friday, Johnson said the decision did indeed provide the clarity everyone needed to move forward.

"For too long, the lack of clarity about DPI leadership has fostered a system of non-accountability," Johnson said. "While this system is great for shifting blame and avoiding responsibility, non-accountability at DPI hurts North Carolina students. Last December, the General Assembly addressed this problem by clarifying the parameters set forth in the NC Constitution. Their efforts offered greater transparency to educators and parents across the state seeking to engage with DPI and greater accountability at DPI."

"Today, the Superior Court has affirmed the constitutionality of the General Assembly's actions and I look forward to, belatedly, working for more and better change at DPI." Johnson could not be reached for comment on Wednesday.

Cobey said, in the meantime, the Board and Johnson are putting the legal battle aside to do their day-to-day jobs.

"As far as our working relationship with the superintendent, we're doing what is necessary to work together to get the job done for the children of this state," he said.

Friday's decision gave a 60-day extension of the temporary injunction that keeps the law from being implemented. The Board expects to file an appeal within that window. Also Wednesday, in the same meeting during which the appeal was decided, the State Board announced its new communications director, Drew Elliot, former spokesperson for the state's environmental regulatory agency under Gov. Pat McCrory. More recently, Elliot served as the opinion editor of the North State Journal. Cobey said picking Elliot was a demonstration of the Board and Johnson's ability to work together. "An example of that is we've worked with him to reorganize the department," Cobey said. "We brought fourth a consensus candidate, that he was involved in, for a communications director this morning."

Cobey said the Board also discussed the \$3.2 million cuts to DPI in the General Assembly's finalized budget. Although he could not name specifics, he said positions would be cut, as well as operational cuts "much broader than expenses related to those positions." He said the personnel cuts should be finalized by Monday morning but will not be released to the public until a later date.(Liz Bell, EDUCATION NC, 7/19/17).

MLS Team

The North Carolina Football Club wants to build a soccer stadium on state-owned land in downtown Raleigh, but it's too early to say whether the plan is feasible, even if Major League Soccer picks the Triangle as part of its expansion. The club on Wednesday unveiled a proposal to build a \$150 million stadium and entertainment complex on Peace Street, across from Seaboard Station on the northern end of downtown. The proposal comes as part of an effort to jump from the North American Soccer League to MLS -- the premier U.S. soccer league.

Under the plan, a 22,000-seat stadium would anchor a mixed-use complex with a conference center, 750,000 square feet of office space, 100,000 square feet of retail space, 1,200 residential units and at least 300 hotel rooms.

The Archdale Building, home to the N.C. Department of Public Safety, is located on the corner of Salisbury and Peace streets in downtown. Under a proposal by NCFC owner Steve Malik, the state government would demolish the building to make way for a Major League Soccer stadium.

The 13-acre site, bounded by Peace, Salisbury and Lane streets, is part of the sprawling state government complex and houses several offices, including the Archdale Building and the State Capitol Police station. NCFC wants to lease the land from the state, but it's unclear whether government leaders are on board. Soccer officials met with state leaders earlier this year but didn't discuss the specifics of a potential deal, said Billie Redmond, founder of TradeMark Properties, which is representing NCFC.

"We've had more of a 'what if' dialogue," Redmond said. "We've not asked them to give us a yes or no."

The goal of Wednesday's announcement, she said, was "to start the dialogue, and to some degree to make it a public dialogue."

NCFC owner Steve Malik on Tuesday sent an eight-page stadium proposal to Gov. Roy Cooper, Senate President Pro Tem Phil Berger and state House Speaker Tim Moore. Berger plans to review the proposal, his spokeswoman said Wednesday. Cooper's Department of Administration is reviewing Malik's letter, spokeswoman Alexandra Mendoza said in an email.

Malik's announcement was part of an event Wednesday aimed at showing Major League Soccer officials why they should include Raleigh in its latest expansion. There was a rally Wednesday evening downtown.(Paul A. Specht, THE NEWS & OBSERVER, 7/19/17).

Redistricting Agenda

The legislature's Redistricting Committee will hold its first meeting on Wednesday, July 26, but don't expect to see new legislative district maps then. Rep. David Lewis, R-Harnett, the co-

chairman of the committee, told the Insider on Wednesday that next week's meeting will focus on setting a schedule for the redistricting process. "You will just see largely an outline for what the timeline looks like for the redistricting process, making sure we allow time for public input and trying our best to comply with the law," Lewis said, adding that the schedule "would be subject to be altered by the courts." He said he hasn't seen any proposed maps, with the exception of a map submitted by an advocacy group. Legislators have given themselves a Nov. 15 deadline for approving new maps to comply with a court ruling striking down the current districts as unconstitutional racial gerrymanders, but judges could impose an earlier deadline. Democrats noted skeptically that next week's committee meeting is scheduled for the day before federal judges hold a hearing as they decide when maps should be redrawn and whether a special election is needed. Attorneys for legislative Republicans could present the redistricting committee's proposed schedule at the court hearing.(Colin Campbell, THE INSIDER, 7/20/17).

Elections Role

North Carolina's highest court is speeding up a final decision on whether Republican legislators could strip down the election oversight powers of the state's new Democratic governor. The state Supreme Court said Wednesday it will take up Gov. Roy Cooper's lawsuit against state legislative leaders. The decision bypasses an intermediate appeals court and schedules a Supreme Court hearing on Aug. 28. GOP lawmakers have sought to dilute Cooper's powers since he narrowly beat incumbent GOP Gov. Pat McCrory last year. The contested law takes away Cooper's ability to appoint a majority of the state elections board and make every county's elections board a Democratic majority. The law would make a Republican head of the decision-making state board in presidential election years when most people vote and ballot disputes are hottest.(THE ASSOCIATED PRESS, 7/19/17).

Pregnancy Programs

Across the country, more than 80 teen pregnancy programs got a notice in their annual letters telling them that come 2018, \$88.5 million in funds will dry up. Many program managers are unsure what will happen after next June. "We're trying to figure out what it'll do to us," said Elizabeth Finley, spokeswoman for SHIFT NC, which was once known as the Adolescent Pregnancy Prevention Campaign of North Carolina. "The Obama administration had really concentrated a lot of the efforts around teen pregnancy prevention in the Office of Adolescent Health and at this point, we're not even sure the Office of Adolescent Health will continue to exist."

Since the turn of the century, pregnancy rates among teens in North Carolina have taken a sharp downturn. In 2001, 69 of every 1,000 girls between 15 and 19 got pregnant, by 2015, that number was reduced by more than half. Now, only 30 of every 1,000 girls get pregnant. With that drop in pregnancies, the abortion rate for teens has gone from 14.5 per 1,000 teens down to 6.2 per 1,000 teens.

Experts say there's a number of reasons for the drop in pregnancy rates, including better long-acting contraception. But one of those reasons is better education and better information for both girls and their male partners. Which is where the teen pregnancy prevention programs come in. "We have seen great declines both nationally and in North Carolina in terms of rates of teen pregnancies," said Michelle Hughes, who leads the advocacy group NC Child. "That's in large part because of these evidence-based strategies that this federal funding has supported." Finley said she's been bracing for cuts since President Donald Trump named abstinence-only champion Valerie Huber to a high-ranking position in the office of the assistant secretary of the Department of Health and Human Services.

The programs cut were not only teaching kids how to prevent pregnancy, Hughes said. They are comprehensive, teaching kids to prevent sexually transmitted infections along with pregnancy, discussing healthy relationships and stressing the importance of commitment. Preventing STIs is important, Hughes noted, because currently, one-in-five new HIV diagnoses in the U.S. is a young person between the ages of 13 and 24.

The pregnancy prevention programs being cut have gone beyond the abstinence-only education that was widely funded before the Obama administration when almost no federal dollars funded comprehensive sex ed programs. But while abstinence-only programs still exist and still get some federal funds, they've fallen short on proof that they work.

A review undertaken jointly by the centrist Brookings Institution and the conservative American Enterprise Institute found that comprehensive sex education programs -- which include both information about pregnancy prevention along with encouraging kids to wait for sex -- do a better job at preventing teen pregnancy. "Studies give us solid evidence that programs that provide counseling, offer a range of birth control measures including long-acting forms, and provide the services free can substantially reduce pregnancy rates among sexually active couples, including teenage and low-income couples, and enable them to avoid or plan childbearing," the study authors wrote.(Rose Hoban, NC HEALTH NEWS, 7/19/17).

Solitary Confinement

North Carolina inmates who break prison rules will spend significantly less time in solitary confinement under a new policy that state leaders hope will help make prisons safer. Under the state's new disciplinary policy, which went into effect on Monday, inmates who commit offenses generally can't be sent to solitary for longer than 30 days. The old policy allowed prison officials to place rule-breakers in solitary for twice that long. As of March, about 2,300 North Carolina prisoners were in solitary, meaning that they spent 22 to 23 hours alone each day in cells smaller than parking spaces.

Research has found that solitary can cause and worsen mental illness. As the global outcry against the practice grows, state prison leaders have worked to reduce their use of segregation. Since 2015, the number of inmates in solitary has dropped by more than 33 percent. But as stories in the Observer have shown, some prisoners still remain in solitary for extraordinarily long periods. Last year, the newspaper found, seven North Carolina inmates had been in solitary for more than a decade.

Prison spokesman Keith Acree wrote that the new disciplinary policy is part of an effort to use "evidence-based practices for managing inmate behavior, thereby creating a safer prison environment." But some prison officers worry that the policy could leave dangerous inmates with less to fear. Jared Davis, a former officer at Lanesboro Correctional Institution, said he doesn't believe 30 days is sufficient punishment for inmates who assault officers. "I think that's asking for trouble," said Davis, who worked at the prison in Anson County from 2013 to 2016. "I think they're going to lose a lot more officers over that policy."

North Carolina's new disciplinary policy reduces the maximum penalties for virtually all offenses. For instance, it:

- Limits time in solitary to 30 days for inmates who commit Class A offenses, the most serious kind. Among those offenses: assaulting an officer and fighting with weapons.
- Reduces time in isolation for those who commit Class B offenses, the second-most serious class. The old policy allowed such prisoners to be placed in solitary for up to 45 days, but the new policy limits the time to 20 days. Those offenses include committing sexual acts and fighting without weapons.
- Eliminates solitary altogether for those who commit Class C offenses. The old policy allowed prison officials to isolate such inmates for up to 30 days. Those offenses include disobeying a prison official's orders and paying bribes.

The new policy also stipulates that "special consideration must be given to those offenders whose mental illness contributed significantly to their behavior." For instance, the policy states, inmates will not be cited for any violations that occur as a result of them being placed in mental health restraints.(Ames Alexander, THE CHARLOTTE OBSERVER, 7/19/17).

Sunday Drinks

You can now get your mimosas before noon on Sundays in Apex and Holly Springs, but in Wake Forest the "brunch bill" benefits will have to wait a little longer. The Apex and Holly Springs town councils both voted unanimously Tuesday evening to allow 10 a.m. alcohol sales on Sundays, effective immediately.

Wake Forest commissioners voted 3-1 Tuesday in favor of moving the serving hour up from noon to 10 a.m., but it will be mid-August before the rule can take effect there. A second reading on the policy is scheduled to take place during the town board's Aug. 15 meeting. Commissioner Greg

Harrington voted against the new ordinance, which would allow retail and grocery stores to sell alcohol early on Sundays, in addition to restaurants. In response to the first show of approval, Wake Forest Mayor Vivian Jones said the town is progressive and is changing with the times. The Wendell Board of Commissioners plans to discuss early Sunday alcohol sales at its Monday, July 24 meeting and could take action at its Aug. 14 meeting.

Though some local reports said the Knightdale Town Council would consider the matter at its meeting Wednesday, town spokesman Jonas Silver said the matter is not on the night's agenda. "I'm sure it will come up at some point," Silver said. "It will go to Legislative Committee for review and a recommendation will be made to town council," Silver said.

The Greensboro City Council voted Tuesday to let restaurants and stores sell alcohol beginning at 10 a.m. Sundays. The vote was 7-2. Guilford County commissioners are one vote away from allowing the same thing in restaurants and stores outside the city limits.(Aaron Moody, THE NEWS & OBSERVER, and Margaret Moffett, THE GREENSBORO NEWS & RECORD, 7/19/17).

RDU Land

The Conservation Fund, a national environmental nonprofit, has offered \$6.46 million to Raleigh-Durham Airport Authority to buy about 105 acres between William B. Umstead State Park and Interstate 40 to preserve the land and have it added to the park. The parcel, known locally as the Odd Fellows tract, became a point of frustration for local hikers and cyclists during RDU's recent 25-year master planning process. Vision2040, the master plan the airport authority approved last October and is now being reviewed by the Federal Aviation Administration, lays out potential development of the airport's core, as well as surrounding land.

The plan lists a possible quarry between Umstead and Lake Crabtree County Park on airport land that the Conservation Fund wants to buy. Jean Spooner, chair of The Umstead Coalition, a nonprofit group of park supporters, cheered the offer. "We are extremely hopeful that RDU is ready to work with the community to expand Umstead State Park," Spooner said. A spokesman for RDU said the authority had just received details about the offer and was not prepared to comment. "We are reviewing it," RDU spokesman Andrew Sawyer said.(Kathryn Trogdon, THE NEWS & OBSERVER, 7/19/17).

School Board Districts

The Lexington City Schools Board of Education announced during its regular meeting on Tuesday that it will be sending a letter to local and state leaders questioning the constitutionality of elected districts for the school board. In a 7 to 1 vote, with board member Angela McDuffie dissenting, the board decided to instruct Lexington City Schools Attorney David Inabinett to draft a letter that will be sent to North Carolina legislators Sen. Cathy Dunn, R-Davidson; Rep. Larry Potts, R-Davidson; and Rep. Sam Watford, R-Davidson; and the Lexington City Council. School board member Brian Lancaster was absent from the meeting.

Inabinett said that the fact the board will be elected from this point is not the issue, it is a matter of making sure everyone in each district has been treated fairly. "It's about equal representation," Inabinett said. "There is a question of constitutionality of how the districts are currently drawn. We will send this letter and ask (legislators) to take a look and respond to our questions."

In June, legislators passed HB 447, making the Lexington City Schools Board of Education a seven-member elected board based on the City of Lexington's six electoral wards and one member representing Davidson County residents living outside the city limits, but inside the school district. According to several school board members, the issue is that there are some school districts that have populations outside the city limits but attend city schools. During a municipal election, households in those wards that have children attending county schools would be subtracted from the entire voting population, creating an imbalance in the number of voters eligible to vote for the school board representative for that ward.(Sharon Myers, THE (Lexington) DISPATCH, 7/19/17).

Marshall Award

Secretary of State Elaine Marshall has been honored by the National Association of Secretaries of State (NASS) with the Medallion Award for Outstanding Leadership in Business Services and Electronic Governance Issues, as well as for her past service as president of NASS. The national award was presented to Marshall last week at the NASS Summer Conference in Indianapolis. The

NASS Medallion Award honors individuals, groups or organizations with an established record of promoting excellent public service to state government and civic education. Under Marshall's leadership, the Secretary of State's Office has set the legal standards necessary for electronic notarization, electronic recording, and most recently, electronic mortgage closings.(NEWS RELEASE, 7/19/17).

Film Grant

With a recurring, \$31 million film grant program now part of North Carolina's state budget moving forward, the local film industry isn't wasting time ramping up its efforts to attract productions. Bill Vassar, executive vice president of EUE/Screen Gems Studios in Wilmington, said the studio has implemented an "extremely aggressive" marketing strategy to inform past and potential clients about the incentive developments. "We wanted to let them know we are here and we are ready to go," he said.

When the state budget was finalized on June 28, the studio had an email blast ready to go out minutes later to 1,200 producers, networks and other industry clients. The email, which sports an aerial shot of the 10-stage, 50-acre lot, touted the area's "world class, locally based crews" and seasoned vendors as reasons for producers to book the space. "The response has been positive," he said of the email. "We're looking to be busier in the fall."

Stability in the grant program will be key in helping lure productions back to the state after more than two years of increasingly slim film and television work. When the former incentive program was done away with at the end of 2014, the first stab at a grant program was only given \$10 million. Six months later, it was infused with \$30 million for each of two years through June 2017. Under the new program, \$18.3 million in unused funding from last fiscal year will be added to \$15 million for the 2017-18 fiscal year, totaling \$33.8 million. For future fiscal years, an annual recurring \$31 million will be available. Johnny Griffin, director of the Wilmington Regional Film Commission, said it's the recurring distinction that will really perk up the ears of clients. "They want to see some stability in North Carolina that can help with long-term planning," he said.(Hunter Ingram, WILMINGTON STAR-NEWS, 7/19/17).

I-77 Tolls

The N.C. Department of Transportation's consultant is exploring several ways to ease outrage over the Interstate 77 toll lane project, including letting carpools with only two people use the lanes for free and converting some of the planned toll lanes into free lanes.

Philadelphia-based Mercator Advisors is reviewing the controversial project, which is scheduled to be finished next year. The consultant is planning to give a preliminary report to transportation planners Wednesday night, but the group hasn't yet determined how much various changes to the contract would cost.

The Spanish company Cintra is building two express toll lanes in each direction between uptown and exit 28 in Cornelius. Between Cornelius and Exit 36 in Mooresville, there will be one express lane added in each direction. The lanes will give motorists a guaranteed travel time of 45 mph, though they will have to pay a toll. Cintra will set the toll, which will vary throughout the day, based on demand. The company is free to charge whatever it wants.

Mercator said it is reviewing a number of ways to change the contract with Cintra, which lasts 50 years.

Critics of the project have warned that only having two general-purpose lanes and one express toll lane in each direction will create a traffic nightmare in 10 years, not to mention 50 years. Mercator will also study whether the shoulders could be strengthened so they could be used during peak times. Mercator plans to present its final report to the Charlotte Transportation Regional Planning Organization in August.(Steve Harrison, THE CHARLOTTE OBSERVER, 7/19/17).

Broadband Study

Macon County's concerted efforts to bring better broadband capabilities to residents are moving right along. County Manager Derek Roland recently gave commissioners an update on the efforts being made by the ad hoc broadband committee that the commissioners established about seven months ago. A survey was conducted to see where the gaps in coverage are and the committee has met with many providers to hear about the challenges of expanding broadband infrastructure

in the rural county. "We've gathered a lot of information and confirmed what many would say is the obvious -- there is a lack of broadband availability in Macon County," Roland said. Keith Conover, a technical analyst for North Carolina's Broadband Infrastructure Office, told commissioners his job is to work with the 30 counties in the western part of the state to improve broadband services. His first recommendations are typically to form a committee of stakeholders in the community and conduct a survey of current availability, which Macon County has already done. "I work with 30 counties, but no other county has put themselves in the position Macon has," Conover said.

The next step is to hold a meeting with all of the internet providers in Macon County. Conover said it was crucial to invite all providers to the meeting to avoid any perception of favorability for any one provider. "We need to invite them to be part of the solution," he said. "Once we have that meeting, we're welcome to work with anyone willing to help out Macon County to provide service and we encourage that."(Jessi Stone, THE SMOKY MOUNTAIN NEWS, 7/19/17).

Research Partnership

Continuing its advancement as a growing research institution, Fayetteville State University has added the US Army Research Laboratory as one of its collaborative partners in the development of scientific research projects. This collaboration will also include a coordinated effort in the development of research education programming that will train pre-college and undergraduate students in science research skills that are critical to the US government and the defense industry. Both institutions see this partnership as beneficial and in adherence with the US Department of Defense's Education Partnership Act which authorizes and promotes partnership agreements between each defense laboratory and educational institutions in the United States for the purpose of encouraging and enhancing study in scientific disciplines at all levels of education. The agreement between FSU and ARL will include Science, Technology, Engineering and Mathematics (STEM) programs at FSU that are deemed relevant to ARL's science and technology programs.(PRESS RELEASE, 7/19/17).

Meadows Challenger

Phillip Price makes his living recycling old wood into top-quality flooring and furniture. But now the McDowell County resident is also focusing his time and energy to become a voice for the working people of western North Carolina in the U.S. House of Representatives. "What I am focusing on in my campaign is defeating Mark Meadows and provide the people of western North Carolina a voice that is more representative of the people," he said to The McDowell News. "My approach is I am a working man for the working people of western North Carolina."

Price, 51, of Dysartsburg is running as a Democratic candidate for the 11th Congressional Seat in the U.S. House of Representatives during the 2018 election. That seat is now held by Meadows, a Republican from Cashiers. Price said he knows the 11th Congressional District very well having lived in six counties in the district during the last 30 years. "I have worked in almost every county in this district in some capacity," he said. "I think I know it better than Mark Meadows from a working person's perspective."

He and his wife Michelle own the wood-recycling company, Antique Reclaimed Lumber, LLC, in Dysartsburg. This small company dismantles old wooden structures like churches, barns and houses and reclaims any wood material of value.(Mike Conley, THE McDOWELL NEWS, 7/18/17).

Dress Code

Brenda Stephens accused her fellow Orange County school board members Wednesday of "pushing aside brown and black people" as the board continue to debate banning the Confederate flag. After seven months of discussion, the Orange County Schools' equity committee recommended approval of a revised student dress code banning items that are "reasonably expected to intimidate other students." The proposal expands a draft revision by including intimidation on the basis of race, color, national origin, sex, gender, sexual orientation, disability, age or religious orientation. The draft revision only banned racially intimidating items.

"I felt as, as a black person, you were telling me, 'get to the back of the line,'" Stephens said. "And I've been told that so much." Stephens is one of two African-Americans on the seven-member Board of Education. She said she was concerned the add-ons were a delay tactic, and

that the board could have addressed racial concerns months ago and come back later to expand the policy if needed.

Still, Stephens joined board Chairman Steve Halkiotis and board member Michael Hood -- the three voting board members on the equity committee -- in voting to recommend approval of the new policy. It will now go to the full board for final approval on August 14.(Ana Irizarry, THE DURHAM HERALD-SUN, 7/19/17).

Krispy Kreme

An affiliate of JAB Holdings Co., which owns Krispy Kreme Doughnuts Inc., said Wednesday it has completed its \$7.5 billion purchase of Panera Bread Co. The deal was announced April 5. Panera shareholders will get \$315 per share in cash for each share. The offer represents a 20 percent premium over Panera's all-time share price high and a 30 percent premium from its March 31 closing price. The deal includes taking over \$340 million in Panera debt. JAB bought a company with \$5 billion in sales in 2016. By comparison, JAB Beech paid \$1.35 billion for Krispy Kreme in July 2016. That deal was worth \$21 a share, representing a 25 percent premium over its share price of \$16.86 when the deal was announced May 9. As of June 27, Panera has 2,043 bakeries and cafes in 46 states.(Richard Craver, WINSTON-SALEM JOURNAL, 7/19/17).

Museum Expansion

The Friends of the N.C. Maritime Museum in Beaufort have sold county leaders on their expansion plans for their property on Gallants Channel, which they hope will eventually be home to a newer, bigger Maritime Museum. County commissioners enthusiastically endorsed the project Monday at their July meeting at courthouse square. "This is right in the heart of my district in Beaufort ... I cannot think of anything better to do for Beaufort in the area (in question)," Commissioner Eddie Bo Wheatly said, calling the proposal "a big deal."

So far, the Friends have raised roughly \$628,000 cash of the estimated \$4.5 million needed for the second phase of the project, according to representative Ed Robbins. "This is sort of a pipe dream now, because there's no money in the state budget to move in that direction," he said of the vision for the site, which includes development of all 31 acres there to include a new museum, lab facilities, walking trails and more.

The group plans to raise \$1.5 million in private money this year, and \$4.5 million overall in time to have the phase two structures on site as soon as 2019. That second phase includes expanded waterfront facilities for the museum's junior sailing program, an event and education center and a boating center.(Jackie Starkey, THE CARTERET COUNTY NEWS-TIMES, 7/19/17).

Pride Fix

An organizer with NC Pride says they have a solution to this year's gay pride parade and festival being scheduled for Saturday, Sept. 30, which is also the Jewish holiday of Yom Kippur. They're just not ready to say what it is.

Spokesman John Short said on July 3 that the date conflict was not noticed when NC Pride was planned, and he asked for forgiveness from the Jewish community. Last week Short said they were still working on paperwork changes before he would be able to announce a change. On Wednesday, Short said they have made a new NC Pride logo but are still waiting on another signature before finalizing their solution to the date conflict. Short said he apologizes for the delay but didn't want to make any more mistakes. "Several of the events will be changed, and everyone will be able to attend. There will be changes to a number of events. Everyone will be able to attend our new schedule," Short said. He did confirm the weekend of Pride will remain the same. "This will be a situation that everyone will be able to attend the events. We're really working hard to do it right away because we're already running a week behind," Short said.(Dawn Baumgartner Vaughan, THE DURHAM HERALD-SUN, 7/19/17).

Reynolds Sale

It took 12 minutes Wednesday for Reynolds American Inc. to approve ending 142 years of corporate independence. Shareholders voted 1.18 billion shares -- 83.1 percent of its 1.43 billion outstanding shares -- to accept \$54.5 billion from British American Tobacco PLC in exchange for selling the 57.8 percent of Reynolds shares that BAT doesn't already own. Just 7.3 million shares

voted against the transaction. The deal also required approval of non-BAT shareholders. In that vote, 584 million shares were voted in favor of selling and 7.3 million against. Reynolds' independent board members approved the latest BAT offer Jan. 17.

BAT shareholders voted simultaneously on whether to approve the purchase and the issuance of up to 435.56 million new shares, which will comprise 17.7 percent of the company's 2.46 billion outstanding shares. Nearly 100 percent of 1.47 billion shares of BAT that were voted Wednesday were in favor of the purchase. Altogether, 78.2 percent of BAT's 1.86 billion outstanding shares were cast for the deal. Reynolds is now projected to become a U.S. subsidiary of BAT on Tuesday. "We are delighted with the overwhelming support we have received, both from BAT shareholders and from Reynolds shareholders," Nicandro Durante, BAT's chief executive, said in a statement. Additional merger details are expected to be disclosed Tuesday. Reynolds officials said its final quarterly report would be issued as a regulatory filing in early August.(Richard Craver, WINSTON-SALEM JOURNAL, 7/19/17).

Peach Harvest

The manager of the Onslow County Farmer's Market, Marie Bowman, says that the peach season was effected by a late season frost and are now in short supply with limited availability at the market. "Unfortunately South Carolina and Georgia was hit with same frost," Bowman said. "At one time South Carolina estimated a 70 to 80 percent peach loss for season. We encourage anyone that is interested in peaches, to stock because the season will be short. Stock up and preserve by canning for freezing or try to find some way to preserve or extend the season." The frost damage happens when a fruit tree blossoms, begins to produce a fruit such as a peach or apple. When cold weather sets in, the blossoms freeze and are damaged, never fully developing. The peach season was also affected by Fire Blight, caused by the bacterium *Erwinia amylovora*, which is a common and often times a destructive disease that affects pome fruit trees such as pear and apple trees. In North Carolina, there have been local cases of Fire Blight, but the harvest has mainly been affected by the frost.(Naomi Whidden, THE (Jacksonville, NC) DAILY NEWS , 7/18/17).

Legislative Studies and Meetings

Items in **Bold** are new listings.

LB: Legislative Building

LOB: Legislative Office Building.

More Information: <http://ncleg.net/LegislativeCalendar/>

Wednesday, July 26

- **1:30 p.m. | House Select Committee on Redistricting, 643 LOB.**

Thursday, Aug. 3

- Noon | House convenes in session.
- Noon | Senate convenes in session.

N.C. Government Meetings and Hearings

Items in **BOLD** are new listings.

Wednesday, July 19

- 9 a.m. | The N.C. Plant Conservation Board meets, N.C. Cooperative Extension Service Watauga County Center Conference, Room 971 W. King St., Boone.

Thursday, July 20

- 10 a.m. | The N.C. Rules Review Commission meets, Administrative Hearings office, Rules Review Commission Room, 1711 New Hope Church Road, Raleigh.
- **11:30 a.m. | The State Board of Community Colleges Personnel Committee meets followed by an Issues Luncheon focused on the Virtual Learning Community, NC Community College System Office at 200 W. Jones St., Raleigh. Committee meetings will resume at 1:30 p.m.**

Friday, July 21

- **9 a.m. | The State Board of Community Colleges board meets, NC Community College System Office at 200 W. Jones St., Raleigh.**

Monday, July 24

- 1 p.m. | The Economic Investment Committee meets to consider one or more economic development proposals, N.C. Commerce Executive Board Room, fourth floor, 301 N. Wilmington St., Raleigh. Contact: Hannah Harrill, [919-814-4612](tel:919-814-4612).

Tuesday, July 25

- 9 a.m. | The N.C. Code Officials Qualification Board holds public hearing on proposed rule changes, 1st Floor Hearing Room, Room 131 (Albemarle Building), 325 N. Salisbury St., Raleigh.
- 1 p.m. | The Board Development Committee of The North Carolina Partnership for Children meets, 1100 Wake Forest Road, Raleigh. Contact: Yvonne Huntley, [919-821-9573](tel:919-821-9573).

Wednesday, July 26

- **9 a.m. | The Wildlife Resource Commission committees meet, Commission Room, 5th Floor, 1751 Varsity Dr., Raleigh.**

Thursday, July 27

- 9 a.m. | The NC Wildlife Resources Commission meets, WRC Centennial Campus, 1751 Varsity Dr., Raleigh.

Monday, July 31

- 12 p.m. | The N.C. State Board of Elections hold public hearing on proposed rule changes, State Board of Elections Office, 441 N. Harrington St., Raleigh.

Tuesday, Aug. 1

- 12 p.m. | The UNC Board of Governors' Committee on Educational Planning, Policies, and Programs, Board Room of the Center for School Leadership Development, 140 Friday Center Dr., Chapel Hill. Contact: Josh Ellis, [919-962-4629](tel:919-962-4629).

Thursday, Aug. 3

- TBD | The Golden LEAF Foundation's board meets, TBD. Contact: Jenny Tinklepaugh, [888-684-8404](tel:888-684-8404).

Wednesday, Aug. 16

- 10:30 a.m. | The Criminal Justice Education and Training Standards Commission holds public hearing on proposed rule changes, Wake Technical Community College-Public Safety Training Center, 321 Chapanoke Road, Raleigh.

Thursday, Aug. 17

- 10 a.m. | The N.C. Rules Review Commission meets, Administrative Hearings office, Rules Review Commission Room, 1711 New Hope Church Road, Raleigh.

Wednesday, Sept. 13

- 9 a.m. | Environmental Management Commission meets, Ground Floor Hearing Room, Archdale Building, 512 N. Salisbury St., Raleigh.

Thursday, Sept. 14

- 9 a.m. | Environmental Management Commission meets, Ground Floor Hearing Room, Archdale Building, 512 N. Salisbury St., Raleigh.

Thursday, Sept. 21

- 10 a.m. | The N.C. Rules Review Commission meets, Administrative Hearings office, Rules Review Commission Room, 1711 New Hope Church Road, Raleigh.

Thursday, Sept. 28

- 10:30 a.m. | The Standard Commercial Fishing License Eligibility Board to the N.C. Division of Marine Fisheries meets, N.C. Division of Marine Fisheries' Wilmington District Office, 127 North Cardinal Dr. Extension, Wilmington.

Thursday, Oct. 5

- TBD | The Golden LEAF Foundation's board meets, TBD. Contact: Jenny Tinklepaugh, [888-684-8404](tel:888-684-8404).
- TBD | The NC Wildlife Resources Commission meets, WRC Centennial Campus, 1751 Varsity Dr., Raleigh.

Thursday, Oct. 19

- 10 a.m. | The N.C. Rules Review Commission meets, Administrative Hearings office, Rules Review Commission Room, 1711 New Hope Church Road, Raleigh.

Wednesday, Nov. 8

- 9 a.m. | Environmental Management Commission meets, Ground Floor Hearing Room, Archdale Building, 512 N. Salisbury St., Raleigh.

Thursday, Nov. 9

- 9 a.m. | Environmental Management Commission meets, Ground Floor Hearing Room, Archdale Building, 512 N. Salisbury St., Raleigh.

Thursday, Nov. 16

- 10 a.m. | The N.C. Rules Review Commission meets, Administrative Hearings office, Rules Review Commission Room, 1711 New Hope Church Road, Raleigh.

Thursday, Dec. 7

- TBD | The Golden LEAF Foundation's board meets, TBD. Contact: Jenny Tinklepaugh, [888-684-8404](tel:888-684-8404).
- TBD | The NC Wildlife Resources Commission meets, 1751 Varsity Dr., Raleigh.

Thursday, Dec. 21

- 10 a.m. | The N.C. Rules Review Commission meets, Administrative Hearings office, Rules Review Commission Room, 1711 New Hope Church Road, Raleigh.

Wednesday, Jan. 10

- 9 a.m. | Environmental Management Commission meets, Ground Floor Hearing Room, Archdale Building, 512 N. Salisbury St., Raleigh.

Thursday, Jan. 11

- 9 a.m. | Environmental Management Commission meets, Ground Floor Hearing Room, Archdale Building, 512 N. Salisbury St., Raleigh.

N.C. Dept. of Environmental Quality

The N.C. Dept. of Environment and Natural Resources has a new name - the N.C. Dept. of Environmental Quality. More Information: <http://portal.ncdenr.org/web/guest/home>

Tuesday, July 18

- 6 p.m. | The N.C. Division of Water Resources hold public meeting on Atlantic Coast Pipeline Water Quality Certification, Fayetteville Technical Community College Cumberland Hall Auditorium at 2201 Hull Rd., Fayetteville.

Thursday, July 20

- 6 p.m. | The N.C. Division of Water Resources hold public meeting on Atlantic Coast Pipeline Water Quality Certification, Nash Community College Brown Auditorium at 522 N. Old Carriage Road, Rocky Mount.

Thursday, Aug. 3

- 2 p.m. | The state Department on Air Quality holds public hearing concerning incorporation of 2015 Ozone Ambient Standard and Readoption, 2145 Suttle Ave., Charlotte.

N.C. Utilities Commission Hearing Schedule

Dobbs Building

430 North Salisbury Street

Raleigh, North Carolina

More Information: <http://www.ncuc.commerce.state.nc.us/activities/activit.htm>

Monday, July 24

- Staff Conference

Monday, July 31

- Staff Conference

UNC Board of Governors

Board Room of the UNC Center for School Leadership Development
140 Friday Center Drive, Chapel Hill (**remote meeting locations in BOLD**)
More Information: <https://www.northcarolina.edu/bog/schedule.php>

Tuesday, Aug. 1

- 12 p.m. | The Board of Governors' Committee on Educational Planning, Policies, and Programs, Board Room of the Center for School Leadership Development, 140 Friday Center Dr., Chapel Hill.

Friday, Sept. 8

- TBA | The UNC Board of Governors, C.S.L.D. Building, Chapel Hill.

Friday, Nov. 3

- TBA | The UNC Board of Governors, C.S.L.D. Building, Chapel Hill.

Friday, Dec. 15

- TBA | The UNC Board of Governors, C.S.L.D. Building, Chapel Hill.

Friday, Jan. 26, 2018

- TBA | The UNC Board of Governors, C.S.L.D. Building, Chapel Hill.

Friday, March 23, 2018

- TBA | UNC Wilmington, Wilmington.

Friday, May 25, 2018

- TBA | The UNC Board of Governors, C.S.L.D. Building, Chapel Hill.

Other Meetings and Events of Interest

Items in **BOLD** are new listings.

Sunday, July 30

- TBD | The NC Bankers Association host 81st Annual NC School of Banking, William & Ida Friday Center, UNC-Chapel Hill. The conference concludes on Aug. 4.

Monday, Aug. 14

- No time given | U.S. Small Business Administration deadline for businesses, private nonprofit organizations, homeowners, and renters in North Carolina to submit disaster loan applications for damages caused by the severe storms on May 30.

Friday, Sept. 8

- No Time Given | The 77th Annual National Folk Festival opens in Downtown Greensboro for its third year in the state. Contact: Kaitlin Smith, [336-373-7523, ext 246](#).

Sunday, Sept. 24

- TBD | The NC Bankers Association hold Young Bankers Conference, Crowne Plaza Asheville Resort, Asheville.

Wednesday, Oct. 11

- 10 a.m. | The Carolinas Air Pollution Control Association hold Technical Workshop and Forum, Hilton Myrtle Beach Resort, 10000 Beach Club Dr., Myrtle Beach.

Monday, Nov. 6

- TBD | The NC Bankers Association hold Women in Banking Conference, Renaissance Charlotte Southpark, 5501 Carnegie Blvd., Charlotte.

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